



**House Veterans' Affairs Joint Oversight Hearing
Subcommittees On Economic Opportunity and Technology Modernization**

**Oral Testimony of William Hubbard, Vice President for Veterans & Military Policy
on the topic of "Modernizing Veteran Education In The Shadow Of Covid-19"**

July 20, 2022

Chairmen Levin and Mrvan, Ranking Members Moore and Rosendale, and Members of the Subcommittees:

We thank you for the opportunity to share our perspective about modernizing veteran education in the shadow of COVID-19. Veterans Education Success works on a bipartisan basis to advance higher education success for veterans, service members, and military families, and to protect the integrity and promise of the GI Bill, and other federal education programs. Here's the question we must be asking ourselves: "Is VA equipped to deliver veterans and their families with the best quality education and training that they deserve?"

There are many details of modernization we address in our written testimony, and which need careful oversight. Beyond those, I would like to offer two overarching themes that should be kept in-mind when it comes to the modernization efforts at VA: first, fraud remains a major problem within the current system of education and training providers; and second, it is critical for VA systems to have reporting and outcomes built in from the very beginning of implementation efforts.

On fraud: student veterans continue to face the threat of predatory actors in higher education, even amidst VA's efforts to modernize and improve benefits. Most recently, the FBI raided facilities of the House of Prayer chain of schools. It remained approved for GI Bill for more than a week after the FBI raid. Described by students as a "cult," the school's leader amassed a fortune over more than a decade of fraud, acquiring several multi-million dollar homes across the country — all paid for by the GI Bill and veterans' disability checks.

The problem is: statutory standards are so outdated that they reference courses taught "over the radio." There are several common sense requirements that could be added for the GI Bill to truly represent a modern benefit. Among our recommendations, we'd like to highlight the following:

- *Quality*: Ensure programs approved for the GI Bill deliver sufficient quality worthy of the veteran's hard-earned benefits.
- *Overcharging*: Ensure schools ARE NOT overcharging VA and that VA tuition funds are spent on education.
- *History*: Prohibit schools which have been subject to punitive law enforcement or federal regulatory actions within the last five years.

Thanks to this Subcommittee's work on the new Isakson-Roe law, when faced with fraud, VA and State Approving Agencies are supposed to conduct risk-based reviews of schools. This model, developed from the ground up, has been successfully tested, and thoroughly vetted by our colleagues at The American Legion, EdCounsel, and the National Association of State Approving Agencies.

We strongly believe this new model is the blueprint for successfully enacting the congressionally-mandated program. We call on VA and the SAAs to embrace the pilot, and start launching risk-based reviews of problematic schools. For example, in March, a state court judge ruled that: Ashford University,

and its parent company Zovio Incorporated, would have to pay a \$22 million fine for misleading prospective students. The school was guilty of more than one million violations nationwide.

Ashford was bought by the University of Arizona for \$1, and turned into their “global campus” known more widely as “UAGC.” We’re calling on Arizona to implement the new risk-based model in this case, given the long history of complaints, including from current students. As VA proceeds with modernization efforts, it is crucial for the Department to incorporate reporting and outcomes throughout the overall ecosystem; tracking of metrics can’t be an “add-on” if you want meaningful results.

And for many, the Digital GI Bill has been a welcome improvement, which will give student veterans a full view of their benefits. However, given the lack of Departmental oversight of the Forever GI Bill implementation in 2018, we’re urging the Subcommittees to carefully monitor the Digital GI Bill rollout, and to expect regular updates from VA – especially as it pertains to understanding student outcomes.

As we enter the 15th year since the Post-9/11 GI Bill’s passage, comprehensive information about the economic impact of this program remains unknown. But since 2016, we’ve collaborated with VA to spur a one-time interagency data-sharing effort to document student outcomes, and workforce outcome measures under the Post-9/11 GI Bill.

The bottom line is this: fraud remains a problem, and outcome measures are critical to accountability. This concludes our testimony here today, and we look forward to working with you and members of your staff on these important issues.

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